



February 23, 2001

SENATE BILL No. 162

DIGEST OF SB 162 (Updated February 22, 2001 11:10 AM - DI 44)

Citations Affected: IC 6-2.5.

Synopsis: Sales tax reporting periods. Revises the reporting and payment periods in which a retail merchant must report and pay the merchant's state gross retail and use taxes.

Effective: July 1, 2001.

Nugent, Lewis, Hume, Young R

January 8, 2001, read first time and referred to Committee on Agriculture and Small Business.

February 8, 2001, reported favorably — Do Pass.

February 12, 2001, reassigned to Committee on Finance.

February 22, 2001, reported favorably — Do Pass.

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February 23, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

SENATE BILL No. 162

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-6-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. (a) Each person
3 liable for collecting the state gross retail or use tax shall file a return for
4 each calendar month and pay the state gross retail and use taxes that the
5 person collects during that month. A person shall file the person's
6 return for a particular month with the department and make the person's
7 tax payment for that month to the department not more than thirty (30)
8 days after the end of that month, if that person's average monthly
9 liability for collections of state gross retail and use taxes under this
10 section as determined by the department for the preceding calendar
11 year did not exceed one thousand dollars (\$1,000). If a person's average
12 monthly liability for collections of state gross retail and use taxes under
13 this section as determined by the department for the preceding calendar
14 year exceeded one thousand dollars (\$1,000), that person shall file the
15 person's return for a particular month and make the person's tax
16 payment for that month to the department not more than twenty (20)
17 days after the end of that month. If a person files a combined sales and

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withholding tax report and either this section or IC 6-3-4-8.1 requires sales or withholding tax reports to be filed and remittances to be made within twenty (20) days after the end of each month, then the person shall file the combined report and remit the sales and withholding taxes due within twenty (20) days after the end of each month.

(b) Instead of twelve (12) monthly reporting periods required under subsection (a), the department may permit a person to divide a year into a different number of reporting periods. Each return and payment for those reporting periods is due not more than thirty (30) days after the end of the respective period.

(c) Instead of the reporting periods required under subsection (a), the department may permit a retail merchant to report and pay the merchant's state gross retail and use taxes for a period covering:

(1) a calendar year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed ~~ten dollars (\$10);~~ **forty dollars (\$40);**

(2) a calendar half year, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed ~~twenty-five dollars (\$25);~~ **one hundred dollars (\$100);** or

(3) a calendar quarter, if the retail merchant's average monthly state gross retail and use tax liability in the previous calendar year does not exceed ~~seventy-five dollars (\$75);~~ **three hundred dollars (\$300).**

A retail merchant using a reporting period allowed under this subsection must file the merchant's return and pay the merchant's tax for a reporting period no later than the last day of the month immediately following the close of that reporting period.

(d) If a retail merchant reports the merchant's gross income tax, or the tax the merchant pays in place of the gross income tax, over a fiscal year or fiscal quarter not corresponding to the calendar year or calendar quarter, the merchant may, without prior departmental approval, report and pay the merchant's state gross retail and use taxes over the merchant's fiscal period that corresponds to the calendar period the merchant is permitted to use under subsection (c). However, the department may, at any time, require the retail merchant to stop using the fiscal reporting period.

(e) If a retail merchant files a combined sales and withholding tax report, the reporting period for the combined report is the shortest period required under:

(1) this section;

(2) IC 6-3-4-8; or



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- 1 (3) IC 6-3-4-8.1.
2 (f) If the department determines that a person's:
3 (1) estimated monthly gross retail and use tax liability for the
4 current year; or
5 (2) average monthly gross retail and use tax liability for the
6 preceding year;
7 exceeds ten thousand dollars (\$10,000), the person shall pay the
8 monthly gross retail and use taxes due by electronic fund transfer (as
9 defined in IC 4-8.1-2-7) or by delivering in person or by overnight
10 courier a payment by cashier's check, certified check, or money order
11 to the department. The transfer or payment shall be made on or before
12 the date the tax is due.
13 (g) If a person's gross retail and use tax payment is made by
14 electronic fund transfer, the taxpayer is not required to file a monthly
15 gross retail and use tax return. However, the person shall file a
16 quarterly gross retail and use tax return before the twentieth day
17 following the end of each calendar quarter.

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SENATE MOTION

Mr. President: I move that Senator Lewis be added as second author of Senate Bill 162.

NUGENT

SENATE MOTION

Mr. President: I move that Senators Hume and Young R be added as coauthors of Senate Bill 162.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Agriculture and Small Business, to which was referred Senate Bill No. 162, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 162 as introduced.)

NUGENT, Chairperson

Committee Vote: Yeas 8, Nays 0.

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SENATE MOTION

Mr. President: I move that Senate Bill 162, which is eligible for second reading, be reassigned to the Committee on Finance.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Finance, to which was referred Senate Bill No. 162, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 162 as printed February 9, 2001.)

BORST, Chairperson

Committee Vote: Yeas 13, Nays 0.

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